

URL: <https://stvp.stanford.edu/clips/taking-risks-as-artists-and-executives>

In response to a question from Stanford Professor Tina Seelig, singer/songwriter Nate Ruess talks about the role of risk-taking in doing creative work. Building on this idea, Warner Bros. Records Chairman and CEO Cameron Strang discusses the importance of encouraging an entrepreneurial culture inside a large organization.



## Transcript

Is this something that the music industry embraces; the idea of experimentation and risk-taking knowing that not everything is going to work? As an artist, yeah, I love the risk-taking aspect of it.. I don't like - even coming up, trying to write an album, following up the success of this last one, one of the things that excites me is just how much further I can go and where I can go and to limit yourself because something worked is terrible.. It's like - it's atrocious and I hope that it fails and that I love it more than I hope that it is great and it sells a whole bunch and I don't like it.. Cameron? For me, it's hard to talk about the industry as a whole all the time because frankly I have never worked in any of the other companies.. So - but for us as a company, risk-taking is certainly something that we encourage.. I'm fortunate we have a relatively new ownership at Warner Music Group who are terrific; they guys who - the people who are my bosses and who I report to are extremely supportive of us taking risks, of us taking chances.. So I think one of the things that we define our company by culturally is having a culture - an entrepreneurial culture.. So to us, what does that mean and how do we do it.. It means taking risks, it means being fast, it means being experimental, it means trusting one another, decentralized approach to business and flat organization.. All of those things we try to bring to the company every day because it's vital that we take risks and it certainly in our DNA too..

I mean every new artist deal, every time we spend from a business perspective, every time we invest in a new artist or we invest in new music or in marketing or promotion or all of those things there is never any guarantees.. The music business is, you know, I always say, Google "Dueling Banjos".. Give it a listen, it was a number one record.. And it's - there's all kinds of things that happened.. So we have to be flexible and we have to be willing to take risks and we have to - it's a very, very challenging thing for a lot of people in business school.. Or for me when I was learning the amount of risk that it takes to be an entrepreneur or that it takes to be in the music business is so much more significant than most other businesses that it takes a certain level of passion and faith to really undertake it.. I mean it's very different than finance, it's very different than banking.. It's - you are out on a ledge.. I'll just say this: I often - with people who come to work at our company, I often say there is a continuum of risk here and the artists are out here because you know you've heard of the fear of public speaking, as peoples know, well just think of public speaking a bit like having to write and read your own poetry and sing it.. It's essentially a very, very risky undertaking..

And then there is, at the other end, there is all the more traditional industries and more traditional jobs and then those of us that work in the music business who are entrepreneurs are somewhere in between and that's where you really have to follow that passion and follow the faith that it's going to work out have some luck.. Some of it involves a little bit of luck once in a while...